



DEPARTMENT OF REVENUE
Property Tax Division

Chapter 2
**PERSONAL PROPERTY
OVERVIEW**

PERSONAL PROPERTY MANUAL

Effective: January 1, 2006

CHAPTER 2

**PERSONAL PROPERTY
OVERVIEW**



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THE NATURE OF PERSONAL PROPERTY

Within the broad category of "property," this manual emphasizes the narrower category of "personal property." Property may be defined in several ways, with each definition supported by the common element of the rights associated with the property. Two types of property are commonly recognized. Real property, also called real estate, refers to the rights to land and any improvements to or on the land. Personal property is defined as being all types of tangible and intangible property that is not included in the term real estate, pursuant to A.R.S. § 42-11001(7).

Personal property includes property used for commercial, industrial, and agricultural purposes, and most mobile homes. It also includes improvements on possessory rights (IPRs) and certain leasehold improvements. All such property is subject to property tax, except for certain goods and materials considered to be inventory and ultimately held for resale, as well as specified animals, personal household goods, and certain other specifically exempted items. A vehicle license tax is assessed in lieu of a property tax on motor vehicles.

Most mobile homes are assessed as personal property. Chapter 7, "Manufactured Housing and Mobile Homes," contains a detailed discussion of this topic.

DEFINITIONS

For the purposes of this manual, definitions of selected terms have been included to help the reader understand their meanings and the context in which they are used. If there are any differences in the interpretation of any terms described in this manual and those in the Arizona Revised Statutes (A.R.S.), the language of the statutes will prevail.

Acquisition Cost: Means the cost of acquiring the property, including the actual cost of the item of property, the cost of transporting the property to its present site, the cost of installing the item of personal property, plus any sales or use taxes paid.



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Affidavit of Affixture: (DOR Form 82528). Means a recorded document that may be filed by a mobile home owner after surrendering the title to the MVD. If the mobile home owner also owns the land on which the mobile home is located, the assessment of the mobile home may be changed from personal property to real property. A.R.S. §§ 42-15202 through 42-15205 and § 33-1501.

Aquatic Animal: Means "a cultured aquatic wildlife propagated or maintained in an aquaculture facility for distribution or sale." A.R.S. § 3-2901(3).

Assessment: Means the entire process of determining market value, deriving an assessed value, recording that assessed value on the tax roll, and applying the appropriate tax rate to that assessed value to derive the amount of taxes due. "Assessment" also serves the function of official public notification that property has been valued and taxed. By statute, for most property types, an assessment notice is provided to the property owner (or the legal entity responsible for payment of taxes). See A.R.S. § 42-15101. Although the term "assessment" often seems to be used as though it were synonymous with the term "valuation," the two terms refer to distinct and separate concepts.

Asset: Means any owned physical object (tangible) or right (intangible) having value; a source of wealth, expressed in terms of its cost, depreciated cost or, less frequently, some other value.

Audit: Means an examination of books, records, and property to verify the information provided to the County Assessor for assessment purposes.

Chattel: This term is commonly synonymous with personal property.



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Factory-Built Building: Means "... a building which is either wholly or in substantial part manufactured at an off-site location to be assembled on-site, ...". This definition excludes manufactured housing, mobile homes and recreational travel trailer vehicles. A.R.S. § 41-2142(14).

GDP Price Deflator: Means a comprehensive price level index which is compiled and issued quarterly by the U.S. Department of Commerce, Bureau of Economic Analysis, and is associated with the items comprising measures of Gross Domestic Product (GDP).

High-Tech Medical Equipment: Means any electronic, electromechanical, or computer-based equipment used in the screening, monitoring, observation, diagnosis, or treatment of patients in a laboratory, medical, or hospital environment.

Improvements: Means anything done to land to make it more valuable. Improvements include:

1. Improvements **on** the land are items such as buildings, parking surfaces and other structures; fences erected on or affixed to the land; row crops and fruit, nut bearing, or ornamental trees and vines (not of natural growth).
2. Improvements **to** the land make land useable, and include items such as berms, swales, leveling, retention walls, backfill and compaction, sewers and drains, etc. and are considered to be a part of the land.

Improvement on Possessory Rights (IPR): Means an improvement owned by someone other than the owner of the land that the improvement is situated on. An improvement on possessory rights may be situated on land that is owned by either a taxable entity or a nontaxable entity.



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Inventory: Means stocks of raw or unfinished materials, unassembled parts, work in progress, or finished products of a retailer, wholesaler, or manufacturer located within this state that is principally engaged in the resale of such materials, parts, or products. Such items are exempt from personal property taxation. A.R.S. § 42-11125.

Leasehold Improvements: Means improvements or additions to leased property that have been made by the lessee; also referred to as tenant improvements.

Livestock: Means, for personal property purposes, cattle, equines, sheep, goats, swine (except feral pigs), and poultry.

Manufactured Housing: Means a structure built after June 15, 1976, that is eight or more feet wide, and forty or more feet long, has a permanent chassis, is transportable in one or more sections, is equipped with complete plumbing, heating, and electrical systems from the factory, and is designed to be used with or without a permanent foundation as a dwelling when connected to on-site utilities. This definition excludes recreational travel trailers. Manufactured housing is built in accordance with the National Manufactured Home Construction and Safety Standards Act of 1974, and Title VI of the Housing and Community Development Act of 1974. A.R.S. § 41-2142. Federal regulations control both the design and construction of all manufactured housing.

Mobile Home: Means a structure transportable in one or more sections including the plumbing, heating, air conditioning and electrical systems contained in such a structure which, when erected on site, is either greater than eight feet in body width, thirty-two feet or more in body length and built on a permanent chassis, or, that is used as a single-family dwelling or for commercial purposes with or without a permanent foundation, regardless of size. A.R.S. § 42-19151.



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Mobile Office: Means a structure built on a permanent chassis, capable of being transported in one or more sections, and designed to be used with or without a permanent foundation as an office or commercial space when connected to on-site utilities. For valuation purposes, mobile offices are categorized into two groups: (1) eight feet and less in width, and (2) greater than eight feet in width.

Park Model: Means a structure built on a single permanent chassis, mounted on wheels and designed to be connected to utilities for operation of installed fixtures and appliances. A park model has a gross trailer area of not less than 320 square feet and not more than 400 square feet when it is set up. This category does not include fifth-wheel trailers. A.R.S. § 41-2142(30)(c). For valuation purposes, park models are categorized into two groups: (1) eight feet and less in width, and (2) greater than eight feet in width.

Personal Property: Means property of every kind, both tangible and intangible, not included in the term real estate. A.R.S. § 42-11001(8). Personal property may be used for commercial, industrial, or agricultural purposes. It includes Improvements on Possessory Rights (IPRs) and certain leasehold improvements. Personal property is valued at its full cash value as of the current year. All business and agricultural personal property owners must file either an Arizona Business Property Statement (DOR Form 82520), or an Arizona Agricultural Business Property Statement (DOR Form 82520A) with the County Assessor. The property statement must be filed annually by April 1.

Personal Property Tax Roll: Means the official record of personal property and other types of property taxed as personal property, including but not limited to certain leasehold or tenant improvements, and Improvements on Possessory Rights (IPRs). Refer to Chapter 6, "Listing of Personal Property on Tax Roll."

Possessory Right: For purposes of this manual, a "possessory right" is the right to use land, improvements, or personal property belonging to another entity.



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Poultry: Means "...chickens, turkeys, domesticated birds, game birds, fowl and waterfowl..." A.R.S. § 3-1201(6). For purposes of determining eligibility for property tax exemption as provided by Article IX, Section 13 of the Arizona Constitution, "poultry" includes "ratites."

Real Estate: Means the ownership of, claim to, possession of, or right of possession to lands or patented mines. A.R.S. § 42-11001(11).

Real Property: Means all of the tangible and intangible rights in land and improvements. Real property includes:

1. The ownership, claim to, possession of, or right to possession of land.
2. All mines, minerals, and quarries in the land, all standing timber whether or not belonging to the owner of the land, and all rights and privileges pertaining to them.
3. Improvements.

Special Tools: Means tools which are designed for a particular purpose, such as tools used to shape a given part for a one-time order and which will never be used again, or not used until the product is reordered.

Supplies: Means items utilized in connection with business, industry, manufacturing or processing that are consumed in the normal course of business. These are reported as taxable personal property. See Chapter 5, "Special Properties" for a more complete discussion of what constitutes supplies.

Travel Trailer: Means a structure mounted on wheels, designed to provide temporary living quarters for recreational, camping or travel use, being of a size or weight that may require a special highway movement permit when towed by a motorized vehicle, and having a trailer area of less than 320 square feet. This category includes fifth wheel trailers. Any unlicensed recreational travel trailer is assessed as personal property. All licensed recreational travel trailers have an "in lieu" license tax, similar to motor vehicles, and must display a license plate and a current registration tag.



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LEGAL CLASSES OF PROPERTY

Arizona Revised Statutes establish legal classifications of taxable property within the State. Property is classified according to its use, and each legal class has a statutory assessment ratio. Assessment ratios are the basis for determining assessed valuation. The statutory classes of property and their corresponding assessment ratios are currently defined in A.R.S. §§ 42-12001 through 42-12010 and §§ 42-15001 through 42-15010, respectively. Most business and agricultural personal property is identified in Legal Class One, Subclasses (8), (9), (10), (11), and (13), in Legal Class Two, Subclass 2(P)(a) and (b), and in Legal Class Six, Subclasses (2), (3), (4) (5) and (6). For the purposes of this chapter, only these legal classes will be discussed. Refer to the Assessment Procedures Manual for a complete discussion of legal classifications.

Legal Classes. A.R.S. §§ 42-12001, 42-12002 and 42-12006 prescribe, respectively, the Class One, Class Two and Class Six legal classes and subclasses as follows:

"42-12001. Class one property

For purposes of taxation, class one is established consisting of the following subclasses:

1. Producing mines and mining claims, personal property used on mines and mining claims, improvements to mines and mining claims and mills and smelters operated in conjunction with mines and mining claims that are valued at full cash value pursuant to section 42-14053.
2. Standing timber that is valued at full cash value.
3. Real and personal property of gas distribution companies, electric transmission companies, electric distribution companies, combination gas and electric transmission and distribution companies, companies engaged in the generation of electricity and electric cooperatives that are valued at full cash value or pursuant to section 42-14151.



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4. Real and personal property of airport fuel delivery companies that are valued pursuant to section 42-14503.
5. Real and personal property that is used by producing oil, gas and geothermal resource interests that are valued at full cash value pursuant to section 42-14102.
6. Real and personal property of water, sewer and wastewater utility companies that are valued at full cash value pursuant to section 42-14151.
7. Real and personal property of pipeline companies that are valued at full cash value pursuant to section 42-14201.
8. Real and personal property of shopping centers that are valued at full cash value or pursuant to chapter 13, article 5 of this title, as applicable.
9. Real and personal property of golf courses that are valued at full cash value or pursuant to chapter 13, article 4 of this title.
10. All property, both real and personal, of manufacturers, assemblers or fabricators valued under the provisions of this title.
11. Real and personal property that is used in communications transmission facilities and that provides public telephone or telecommunications exchange or interexchange access for compensation to effect two-way communication to, from, through or within this state.
12. Real property and improvements that are devoted to any other commercial or industrial use, other than property that is specifically included in another class described in this article, and that are valued at full cash value.
13. Personal property that is devoted to any other commercial or industrial use, other than property that is specifically included in another class described in this article, and that is valued at full cash value."



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"42-12002. Class two property

For purposes of taxation, class two is established consisting of two subclasses:

1. Class two (R) consists of:

- (a) Real property and improvements to property that are used for agricultural purposes and that are valued at full cash value or pursuant to chapter 13, article 3 of this title, as applicable.
- (b) Real property and improvements to property that are primarily used for agricultural purposes to produce trees other than standing timber, vines, rosebushes, ornamental plants or other horticultural crops, regardless of whether the crop is grown in containers, soil or any other medium, that are not included in class one, three, four, six, seven or eight and that are valued at full cash value or pursuant to chapter 13, article 3 of this title, as applicable.
- (c) Real property and improvements to property that are owned and controlled by a nonprofit organization that is exempt from taxation under section 501(c)(3), (4), (7), (10) or (14) of the internal revenue code if the property is not used or intended for the financial benefit of members of the organization or any other individual or organization, unless the financial benefit is for charitable, religious, scientific, literary or educational purposes, and that are valued at full cash value.
- (d) Real property of golf courses that is valued at full cash value or pursuant to chapter 13, article 4 of this title.
- (e) All other real property and improvements to property, if any, that are not included in class one, three, four, six, seven or eight and that are valued at full cash value.



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2. Class two (P) consists of:
 - (a) Personal property that is used for agricultural purposes and that is valued at full cash value or pursuant to chapter 13, article 3 of this title, as applicable.
 - (b) Personal property that is primarily used for agricultural purposes to produce trees other than standing timber, vines, rosebushes, ornamental plants or other horticultural crops, regardless of whether the crop is grown in containers, soil or any other medium, that is not included in class one, three, four, six, seven or eight and that is valued at full cash value or pursuant to chapter 13, article 3 of this title, as applicable.
 - (c) Personal property that is owned and controlled by a nonprofit organization that is exempt from taxation under section 501(c)(3), (4), (7), (10) or (14) of the internal revenue code if the property is not used or intended for the financial benefit of members of the organization or any other individual or organization, unless the financial benefit is for charitable, religious, scientific, literary or educational purposes, and that is valued at full cash value.
 - (d) Personal property of golf courses that is valued at full cash value or pursuant to chapter 13, article 4 of this title.
 - (e) All other personal property that is not included in class one, three, four, six, seven or eight and that is valued at full cash value."

"42-12006. Class six property

For purposes of taxation, class six is established consisting of:

1. Noncommercial historic property as defined in section 42-12101 and valued at full cash value.



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2. Real and personal property that is located within the area of a foreign trade zone or subzone established under 19 United States Code section 81 and title 44, chapter 18, that is activated for foreign trade zone use by the district director of the United States customs service pursuant to 19 code of federal regulations section 146.6 and that is valued at full cash value. Property that is classified under this paragraph shall not thereafter be classified under paragraph 7 of this section.
3. Real and personal property and improvements that are located in a military reuse zone that is established under title 41, chapter 10, article 3 and that is devoted to providing aviation or aerospace services or to manufacturing, assembling or fabricating aviation or aerospace products, valued at full cash value and subject to the following terms and conditions:
 - (a) Property may not be classified under this paragraph for more than five tax years.
 - (b) Any new addition or improvement to property already classified under this paragraph qualifies separately for classification under this paragraph for not more than five tax years.
 - (c) If a military reuse zone is terminated, the property in that zone that was previously classified under this paragraph shall be reclassified as prescribed by this article.
 - (d) Property that is classified under this paragraph shall not thereafter be classified under paragraph 4 or 7 of this section, notwithstanding its location in an enterprise zone.
4. Real and personal property and improvements that are located in an enterprise zone, that are owned or used by a small manufacturing business that is certified by the department of commerce pursuant to section 41-1525.01 and that are valued at full cash value, subject to the following terms and conditions:
 - (a) Property may not be classified under this paragraph for more than five tax years.



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- (b) Property that is classified under this paragraph shall not thereafter be classified under paragraph 3 or 7 of this section, notwithstanding its location in a military reuse zone.
- 5. Real and personal property and improvements or a portion of such property comprising a qualified environmental technology manufacturing, producing or processing facility as described in section 41-1514.02, valued at full cash value and subject to the following terms and conditions:
 - (a) Property shall be classified under this paragraph for twenty tax years from the date placed in service.
 - (b) Any addition or improvement to property already classified under this paragraph qualifies separately for classification under this subdivision for an additional twenty tax years from the date placed in service.
 - (c) After revocation of certification under section 41-1514.02, property that was previously classified under this paragraph shall be reclassified as prescribed by this article.
 - (d) Property that is classified under this paragraph shall not thereafter be classified under paragraph 7 of this section.
- 6. That portion of real and personal property that is used on or after January 1, 1999 specifically and solely for remediation of the environment by an action that has been determined to be reasonable and necessary to respond to the release or threatened release of a hazardous substance by the department of environmental quality pursuant to section 49-282.06 or pursuant to its corrective action authority under rules adopted pursuant to section 49-922, subsection B, paragraph 4 or by the United States environmental protection agency pursuant to the national contingency plan (40 code of federal regulations part 300) and that is valued at full cash value. Property that is not being used specifically and solely for the remediation objectives



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described in this paragraph shall not be classified under this paragraph. For the purposes of this paragraph, "remediation of the environment" means one or more of the following actions:

- (a) Monitoring, assessing or evaluating the release or threatened release.
- (b) Excavating, removing, transporting, treating and disposing of contaminated soil.
- (c) Pumping and treating contaminated water.
- (d) Treatment, containment or removal of contaminants in groundwater or soil."

7. Real and personal property and improvements constructed or installed from and after December 31, 2004 through December 31, 2010 and owned by a qualified business under section 41-1516 and used solely for the purpose of harvesting, transporting or the initial processing of qualifying forest products removed from qualifying projects as defined in section 41-1516. The classification under this paragraph is subject to the following terms and conditions:

- (a) Property may be initially classified under this paragraph only in valuation years 2005 through 2010.
- (b) Property may not be classified under this paragraph for more than five years.
- (c) Any new addition or improvement, constructed or installed from and after December 31, 2004 through December 31, 2010, to property already classified under this paragraph qualifies separately for classification and assessment under this paragraph for not more than five years.
- (d) Property that is classified under this paragraph shall not thereafter be classified under paragraph 2, 3, 4 or 5 of this section.



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Assessment Ratios. Assessment ratios for Legal Classes One, Two and Six are established, respectively, by A.R.S. §§ 42-15001, 42-15002 and 42-15006.

"42-15001. Assessed valuation of class one property

The assessed valuation of class one property described in section 42-12001 is the following percentage of its full cash value or limited valuation, as applicable:

1. Twenty-five per cent through December 31, 2005.
2. Twenty-four and one-half per cent beginning from and after December 31, 2005 through December 31, 2006.
3. Twenty-four per cent beginning from and after December 31, 2006 through December 31, 2007.
4. Twenty-three and one-half per cent beginning from and after December 31, 2007 through December 31, 2008.
5. Twenty-three per cent beginning from and after December 31, 2008 through December 31, 2009.
6. Twenty-two and one-half per cent beginning from and after December 31, 2009 through December 31, 2010.
7. Twenty-two per cent beginning from and after December 31, 2010 through December 31, 2011.
8. Twenty-one and one-half per cent beginning from and after December 31, 2011 through December 31, 2012.
9. Twenty-one per cent beginning from and after December 31, 2012 through December 31, 2013.
10. Twenty and one-half per cent beginning from and after December 31, 2013 through December 31, 2014.
11. Twenty percent beginning from and after December 31, 2014.



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"42-15002. Assessed valuation of class two property

The following percentages apply to the full cash value or limited valuation, as applicable, as a basis for determining the assessed valuation of class two property described in section 42-12002:

1. Class two (R): sixteen per cent.
2. Class two (P): sixteen per cent of the value exceeding the maximum amount of valuation of personal property that is exempt ¹ from taxation pursuant to section 42-11127."

"42-15006. Assessed valuation of class six property

The assessed valuation of class six property described in section 42-12006 is based on the following percentages to the full cash value or limited valuation of class six property, as applicable:

1. Property described in section 42-12006, paragraphs 1, 2, 3, 5, 6 and 7, five per cent.
2. Property described in section 42-12006, paragraph 4:
 - (a) For primary property tax purposes, five per cent.
 - (b) Except as provided in subdivision (c), for secondary property tax purposes, twenty-five per cent.
 - (c) If subdivision (b) is finally adjudicated to be invalid, for secondary property tax purposes, five per cent."

¹ Personal property currently classified in Legal Class One, Subclasses (8), (9), (10), (11) and (13) and Legal Class Two, Subclass 2(P)(a) and (b) was exempted from taxation up to a maximum amount of \$50,000 of full cash value for the tax year 1997. For subsequent tax years, the maximum exempt amount is to be adjusted annually by the Department, based on the average annual percentage increase, if any, in the G.D.P. price deflator for the two most recent complete state fiscal years. A.R.S. § 42-11127.



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DISTINGUISHING BETWEEN REAL AND PERSONAL PROPERTY

Property must be identified as either real or personal property in order for the property to be properly valued and assessed. Additionally, distinguishing between real and personal property ensures that each taxable item of property is taxed either on the personal property or the real property tax roll, and that the property is only taxed once. The primary characteristics that distinguish personal property from real property are the manner and extent to which the item is *annexed* to land or to improvements, how the property is *used*, and the *intent* of the property owner.

Annexation. Means, for the purposes of this manual, an addition to real property by adding or attaching personal property to it. Personal property is annexed if it has been imbedded in, is permanently resting upon land or improvements, or is attached by means that are normally used for permanent installation. If the item cannot be removed without substantially damaging it or the real property with which it is being used, it is considered to be annexed. Property should not be considered annexed solely because of attachment to the real property by "quick disconnect" attachments, such as simple wiring and conduit connections. Attaching an item to the floor or to a wall to provide stability does not make the item real property. If the attachment augments the purpose of the improvement, such as an elevator, it should be considered real property, regardless of how it is affixed.

An item of personal property that is not permanently attached to real property is considered annexed to real property if it is:

1. A necessary, integral, or working part of the real property.
2. Designed or committed for use with real property.
3. So essential to the real property that the real property cannot perform its desired function without the nonattached item.



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Use. If the sole purpose of an item is to augment the use of a structure, it may be considered real property regardless of how the item is attached. If an item is used only to augment or to support the business activity that is conducted on the premises, then the item is considered to be personal property.

An example of this would be heating, ventilating and air conditioning equipment (HVAC). The equipment that is used to heat, ventilate or air condition a structure is considered to be real property. However, if additional ventilation or air conditioning equipment is added to accommodate manufacturing or computer equipment, the additional ventilation and air conditioning equipment is listed as personal property.

Intent. Intent is measured with, not separately from, the method of attachment or annexation and the use of the personal property. If the appearance of the item indicates that it is intended to remain annexed indefinitely, the item may be real property for tax purposes. Intent may also be determined by factors other than simple visual appearance, such as in an agreement between parties, or in a contract between lessor and lessee. Historic usage of a property may be considered in determining whether or not it is intended to remain annexed indefinitely. Many of the items listed as real property could be assessed as personal property, and many items listed as personal property could be assessed as real property. Consult Table 2.1 in the following section for a categorized listing of specific assets. If doubt exists, the following must be considered carefully:

- The method of attachment and the degree of permanence in that attachment.
- The physical nature of the item.
- The use of the item.
- Whether damage would be caused by removal of the item.
- Whether the item is temporary in nature, is movable, or is used to augment other personal property.
- Whether the item that is attached to real estate would be reuseable after removal.



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EXAMPLES OF REAL AND PERSONAL PROPERTY

The list in Table 2.1 is not meant to be exhaustive. Rather, it is presented to illustrate items typically categorized as real or personal property.

Table 2.1
EXAMPLES OF TYPICAL CATEGORIES
Real and Personal Property ²

Description	Real Property	Personal Property
Air Conditioning, Built-In	X	
Air Conditioning, Window Units		X
Air Rights	X	
Awnings, Removable		X
Back Bars		X
Blast Furnaces	X	
Blinds		X
Boilers, Built-In*	X	
Boilers, Used in Manufacturing Process		X
Booths, Restaurant*		X
Booth, Spray Paint*		X
Bowling Lanes		X
Buildings, Permanently Affixed	X	
Cabinets, Built-In*	X	
Cage, On Interior for Protection*		X
Canopies, Attached to Building or Free-Standing	X	
Canopies, Over Equipment Used as part of Operating Equipment*		X
Carpets, Wall-to-Wall	X	

² Some items of property may be either real property or personal property, depending upon how they are annexed, how they are used or how they interact with related property. Criteria for distinguishing between real and personal property should be considered in determining the category for specific items, particularly those marked with an asterisk (*).



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Table 2.1 (continued)
EXAMPLES OF TYPICAL CATEGORIES
Real and Personal Property ²

Description	Real Property	Personal Property
Ceiling Fans*	X	
Check-Out Stands		X
Chimney Stacks	X	
Clean Rooms*		X
Cold Storage Equipment		X
Compressors*		X
Computers*		X
Concrete Flat-work	X	
Control Room	X	
Control Room Equipment		X
Contoured Grounds	X	
Coolers, Storage or Vending, Built-In*	X	
Coolers, Storage or Vending, Prefabricated*		X
Counters, Bank		X
Counters, Restaurant		X
Cranes, on Fixed or Portable Ways		X
Crane Rails, Fixed-in-Place	X	
Crane Rails, Portable		X
Dairy Barn Milking Equipment		X
Dams	X	
Ditches*	X	
Docks and Dock Levelers	X	
Docks, Boat		X

² Some items of property may be either real property or personal property, depending upon how they are annexed, how they are used or how they interact with related property. Criteria for distinguishing between real and personal property should be considered in determining the category for specific items, particularly those marked with an asterisk (*).



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Table 2.1 (continued)
EXAMPLES OF TYPICAL CATEGORIES
Real and Personal Property ²

Description	Real Property	Personal Property
Doors, except Vault Doors	X	
Drinking Fountain, Built-in *	X	
Ducts	X	
Electrical Service, used for Structure	X	
Electrical Service used for Manufact Equipment *		X
Electrical Transformers *		X
Elevators, Freight or Passenger	X	
Embankments	X	
Escalators	X	
Exhaust System, Built-In *	X	
Fences	X	
Fill Material	X	
Fire Protection (water sprinkler systems) *	X	
Fire Extinguishers *		X
Flag Poles	X	
Floor-covering, Hard Surface	X	
Foundations, Building	X	
Foundations, Equipment Mounts		X
Fruit Trees	X	
Furnishings, Built-In *	X	
Graded Ground	X	
Grape Stakes	X	

² Some items of property may be either real property or personal property, depending upon how they are annexed, how they are used or how they interact with related property. Criteria for distinguishing between real and personal property should be considered in determining the category for specific items, particularly those marked with an asterisk (*).



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Table 2.1 (continued)
EXAMPLES OF TYPICAL CATEGORIES
Real and Personal Property ²

Description	Real Property	Personal Property
Grape Trellises	X	
Heating, Air Conditioning, Ventilation for Building Use*	X	
Heating, Air Conditioning, Ventilation for Machinery or Manufacturing Process		X
Hoists		X
Ice Skating Rinks		X
Kilns*		X
Kitchen Appliances, Built-In*	X	
Laboratory Equipment*		X
Landscaping	X	
Laundry Machines		X
Leveler, Loading Dock*	X	
Leveled Ground	X	
Lighting Fixtures*	X	
Machinery		X
Mail Boxes and Chutes, Built-In*	X	
Minerals	X	
Mini-Kitchen Combination Range, Oven, Sink, and Refrigerator Units		X
Music Systems, Attached to Booth or Counters*		X
Nut Trees	X	
Organs, Pipe		X
Ovens, Bake*		X

² Some items of property may be either real property or personal property, depending upon how they are annexed, how they are used or how they interact with related property. Criteria for distinguishing between real and personal property should be considered in determining the category for specific items, particularly those marked with an asterisk (*).



**PERSONAL PROPERTY
OVERVIEW**

PERSONAL PROPERTY MANUAL

Effective: January 1, 2006

Table 2.1 (continued)
EXAMPLES OF TYPICAL CATEGORIES
Real and Personal Property ²

Description	Real Property	Personal Property
Partitions, Permanent, Floor-to-Ceiling	X	
Partitions, Movable or Detachable		X
Piling, for Support of Structure	X	
Piping, Used for Servicing Building	X	
Piping, in Conjunction with Machinery*		X
Plumbing, for Lavatories, Water Faucets, Sinks, Drinking Fountains, Sewage Ejector, etc.	X	
Printing Press		X
Public Address Systems*		X
Pumps, Irrigation	X	
Radiators, Steam	X	
Railroad Track, on Owner's Land*	X	
Railroad Track, not on Owner's Land		X
Refrigerator, Built-In	X	
Restaurant Equipment, Built-In	X	
Restaurant Equipment, Free-Standing		X
Retaining Walls	X	
Roads, Unpaved	X	
Roads, Paved, Private Land	X	
Safes, Embedded	X	
Safe Deposit Box Units		X
Scales, Truck		X
Scales, Other		X

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**PERSONAL PROPERTY
OVERVIEW**

PERSONAL PROPERTY MANUAL

Effective: January 1, 2006

Table 2.1 (continued)
EXAMPLES OF TYPICAL CATEGORIES
Real and Personal Property ²

Description	Real Property	Personal Property
Screen, Indoor Theater		X
Security System*		X
Septic Tanks	X	
Sewer Systems	X	
Shelving, Attached*		X
Shelving, Free-Standing		X
Signs		X
Silos	X	
Sink, Built-In*	X	
Site Improvements	X	
Skirting, for Mobile Homes Not Permanently Affixed		X
Sprinkler System, Lawn	X	
Sprinkler System, Fire	X	
Sprinkler System, Agriculture, Field - Surface and Walking		X
Stairs, Railings, Fire Escapes, Ladders (Attached)	X	
Stoves, Built-In*	X	
Tank, Buried*		X
Tanks (Butane, Propane, Water Softener), Unburied, but which Remain in Place		X
Teller Cages		X
Towers, Cooling*	X	
Towers, Radio and Television*		X

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**PERSONAL PROPERTY
OVERVIEW**

PERSONAL PROPERTY MANUAL

Effective: January 1, 2006

Table 2.1 (continued)
EXAMPLES OF TYPICAL CATEGORIES
Real and Personal Property ²

Description	Real Property	Personal Property
Vault Doors		X
Vaults *	X	
Vines, Agricultural	X	
Walk-in Coolers and Freezers *		X
Walls and Partitions, Movable and Detachable *		X
Water Rights	X	
Water Recovery System, Industrial *		X
Wells, Oil and Water	X	
Well Equipment *		X
Wet Bar, Built-In	X	

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